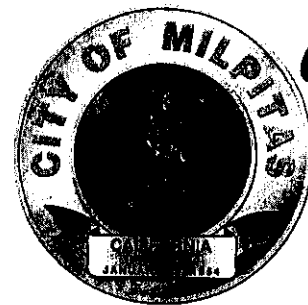


# MEMORANDUM

Office of the City Council

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**To:** Mayor and City Council  
**From:** Vice Mayor Armando Gomez  
Councilmember Debbie Giordano  
**Subject:** Roadmap for Service Improvements  
**Date:** December 28, 2005

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## Recommendation:

Vice Mayor Gomez and Councilmember Giordano recommend that the City Council provide direction to both improve the City's role in the way we interact with business and people who do business with the City and services available to businesses and residents of the City by adopting the actions in this memo.

## Background

For the taxpayers and families of Milpitas, the equation is simple: a job creates possibilities and possibilities allow you to buy a home and raise a family in Milpitas. But business as usual can keep us from reaching our goals.

With the adoption of the Reorganization Policies and Guidelines, the City Council said loud and clear that now was the time to take a step back and look at the services we provide from the eyes of our customers and to look at creative ways of providing additional services to our customers. This is crucial because the city has the opportunity to either be a deterrent or a facilitator of businesses and jobs moving into the city. In adopting those guidelines, it was the Council's intent to make things easier for businesses that choose to move into or do business with our city. In a nutshell, we must facilitate rather than legislate, remove rather than create roadblocks, and provide certainty and appeal in the process to private investors who want to develop a project or create a business here. This is what economic development and creating jobs is all about and it is simple to do.

We have invested substantially in new staff at the highest level of our government and that is a clear indication of our resolve to reform the way Milpitas does business. What we are finding is when given the opportunity, city staff want to make Milpitas City Hall more than a workplace but an idea.

The idea is that **Customer Service** that is helpful, friendly and accountable comes first.

The idea that **Cutting Red Tape** is key to being responsive and fast. We must give new meaning to the term "government time." This means what once took months must now take weeks and what once took weeks should now take days. We must operate on a similar schedule to business while maintaining a high quality of service.

The idea that **Community Involvement** at the early stages of a development serves the interests of the community, the applicant and the City.

If we are to compete with cities like Santa Clara, Sunnyvale and San Jose, we can no longer afford to do things simply because that is how they have always been done. If we are to compete we must first put our house in order and this City Council and staff are persistent in refusing to accept the status quo when it has outlived its usefulness.

### **But how do we it?**

### **Here's what we should do and how long it should take to do it:**

*Within 2 months we will do the following:*

#### **Process Handouts**

Of great frustration for customers who come to City Hall is not knowing what is expected of them and what they can expect of City staff. There should be handouts available that do the following:

- Explains procedures and what to expect
- Plan check and approval process flowchart
- Gives submittal requirements information for Building, Planning, Fire, and Public Works
- States turnaround time goals

#### **Updated Checklists**

Update checklists to list all the requirements of each type of application submittal. The use of checklists will allow counter staff to screen application submittals for completeness and the checklists will also inform the applicant of remaining requirements. These improvements will decrease turnaround times by increasing the applicant's knowledge of what it takes to have a complete application, resubmittal as well as which sub-permits are required.

#### **Hours at City Hall**

Our residents and businesses don't always operate on the same schedule as the City does. Staff should work with our employees to continue to develop a service schedule that is responsive to the needs of our residents and business. Some of our functions should be available in the evenings or on Saturdays. We should consider that if the DMV can do this, why can't we? Staff should report to Council on what we can do within two months and any MOU modifications that may need to be made to offer more services after hours.

## **Tenant Improvement Program**

The city is currently operating with a 40% vacancy rate in our industrial space. Filling this space and developing a program to make it affordable for many businesses to invest in improving their buildings, making them more attractive and competitive to retain and locate businesses in Milpitas. This in turn helps to create jobs. We must implement this program as soon as possible. Staff should implement this program and report to Council semi-annually the total number of developments, total square feet developed and the construction value since implementation of this program.

*Within 4 months we will do the following:*

### **Email notification of applications**

We should make every effort to inform residents of what is going on in their area and email notices is an easy one. Staff is directed to within a certain number of days of an application submittal to send out an email to subscribing individuals informing them of the filing of an application. Such a self-subscription email system should be developed with the Information Services staff. Subscribers should be able to receive notifications on most permit applications including General Plan amendments, rezonings, conditional use and special use permits, site development permits, single-family house permits and tree removal permits. The system should be developed to allow subscribers to request notification by neighborhood or permit type.

### **Refund fees when deadlines missed**

City Hall delays cost business money and can be a barrier to job creation. Our fee system is based upon the assumption that you pay for services the City provides. When private businesses don't get the job done, they don't get paid for all or a portion of the service. When we establish a specific schedule for performing a function (for example, issuance of a 30-day letter or holding a scheduled Planning Commission hearing) and we do not meet it, then you should not have to pay for a portion of the late service.

### **Customer Service Standards**

Customer service is at the heart of successful business in America. There are simply too many options available to customers today for businesses to be anything less than efficient, friendly and available. The City of Milpitas is not different. Sometimes we may forget the service of people come first. That is a mistake. Improved customer service should go hand in hand with a new structure and focus of our organization. Staff is directed to set customer service standards, publish them, and continually report on how they are met. These standards should include some of the following:

- Identify the customers who are, or should be, served by the city;
- Survey customers to determine the kind and quality of services they want and their level of satisfaction with existing services for all departments in the development process;
- Post service standards and measure results against them;
- Benchmark customer service performance against the best in business;
- Survey front line employees on barriers to, and ideas for, matching the best in business;

- Provide customers with choices in both the sources of service and the means of delivery;
- Make information, services and complaint systems easily accessible; and
- Provide means to address customer complaints.

## **Work Programs and Staffing Levels**

There is never a shortage of ideas of work for other people to do. Most Councilmembers, Planning Commissioners and senior staff can suggest more projects than a city can or will financially support. Sometimes this “invisible workload” can take staff away from the day-to-day things we want them to focus on. Therefore, it is important that staff projects have clear work programs and priorities. This annual work program should list all non-fee projects, the amount of time required, and projected completion dates.

## **Staff Training and Education**

The City’s development review process involves multiple departments and numerous steps. Very few staff members understand the entire process. This makes it difficult for staff to understand how their role fits into the overall process or understand the entire process from the applicant’s perspective. In order to improve both internal and external customer service, all staff should be educated to the overall development review process and receive specific training on the changes to be implemented. Staff should also consider work rotations for plan checkers to the field for actual construction experience in order to improve communications between inspectors and plan check engineers.

*Within 6 months we will do the following:*

### **Develop a Community Outreach Policy**

It seems when residents hear of development projects it is too late for meaningful change. This has often led to members of our community feeling that City Hall was working against us and not for us. To successfully mitigate problems and make sure that new development is well integrated with its surrounding neighbors, dialogue must occur early on in the review process. This makes it more realistic that residents will be made aware of a project in a timely fashion. This is important because seldom are changes made at a Planning Commission or City Council meeting.

Staff is directed to develop a Community Outreach Policy, which would establish consistent protocols for dissemination of information related to development activity, and to encourage early and frequent communication between City staff, applicants and the public. The planned policy should identify approaches to public outreach with the intent of involving interested parties in the development review process through early notification and accessibility of information while still meeting performance goals related to timely review of development applications through a predictable process. For example, community meetings for a Large or Significant Community Interest Proposal serve the best interests of both the applicant and the community by providing a forum to discuss the projects and potential issues well before the noticed public hearing. Staff should work with the Planning Commission and the development community on this policy.

## **Simplify zoning and other permit processes**

The Council and Planning Commission can be an obstacle to economic development as a result of inconsistent, unpredictable and unnecessary actions that delay decision making. The Council and Planning Commission must be willing to give up some level of control to help job growth and help businesses choose to locate in Milpitas.

We should make the necessary ordinance changes that would simplify approvals of permits and zoning applications that conform to the City's General Plan and remove the need for Council approval. Doing this would: 1) eliminate months in redundant public processes; 2) help construction begin faster; 3) allow businesses to meet time-to market goals for competitive advantage; and 4) help create and retain jobs.

The Industrial Floor Area Ratio (FAR) is the ratio between the floor space of a building to the area of the lot on which it is located. Current ordinance prevents companies from investing in the type of new development in Milpitas that is available in neighboring communities. By changing the policy to make it more flexible, the City will make it easier for companies to construct the kinds of buildings that will allow them to make more efficient use of their resources and better support their business operations. In addition, the policy change will increase the potential of creating new job centers along our transit corridor in support of our City's adopted smart growth policies.

Currently, uses at the Great Mall are looked at independently and require Planning Commission approval. We should look to create a pre-approved master use permit list. As long as the proposed use conforms to this pre-approved list, then the use can be approved at the staff level.

Staff should also continue to look at ways where minor improvements could be done at the staff level. The Planning Commission should be involved in this process.

## **Updated Permitted System and Development of On-line Permitting System**

The Building Department has a permit tracking system but it is severely limited in its usefulness and does not interact with the other systems used by Building Staff, Fire, Public Works, and Planning. In order to better manage project applications from preliminary inquiries until completion of construction, the City needs to replace the system. Such a system would make it easier for staff to service customers by allowing easier access to information, it would allow management to track overall project workloads, to monitor turnaround times, and would increase the knowledge exchange between departments.

Also a new system would allow residents and businesses to be able to schedule building inspections, obtain minor building permits, monitor the status of building plan checks, and obtain permit histories for planning and building permits all online.

Milpitas needs to remain competitive in the services we provide and we must invest in opportunities to simplify and improve our building permit process. Sometimes improvements don't come without a price. A new system may cost up to \$300,000. Staff is directed to work with the Finance subcommittee to identify funding for the purchase and for on-going maintenance of the system.

## **Make Milpitas a Wireless City**

Our City prides itself on technology and we should be taking the lead in pursuing affordable wireless broadband internet. Both the Telecommunications Commission and the Economic Development Commission have taken the lead in exploring this and should be commended for it. This is important and we should be taking steps to make this a reality. Affordable, wireless internet access for all residents and businesses is essential if we are to compete in the new knowledge based economy. Staff should continue to work with companies and present a contract for review.

## **CONCLUSION**

### **Measuring Our Success**

As we should do with every service or program, we must evaluate the effectiveness of our efforts to create and locate jobs in Milpitas. Measurement also will strengthen our ability to communicate our results to businesses, the public, and our employees, and give us feedback to help us modify our programs to improve them. Although it is difficult to measure direct cause and effect for this purpose, we can track our permit processing times and customer service times. To this end, we suggest using the following general indicators to measure the impact of our programs and improvements:

- Customer service results
- Average permit processing time
- Square feet of office space filled

We should hear back frequently from our staff on the City's progress on achieving results from the direction we have given them.

### **Coordination**

These recommendations have been coordinated with staff.